

**UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re: W. R. Grace & Co., et al  
Debtor

**Case No. 01-01139 Jointly Administered**  
**Reporting Period: January 2004**

**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month

Submit copy of report to any official committee appointed in the case.

<b>REQUIRED DOCUMENTS</b>	<b>Form No.</b>	<b>Document Attached</b>	<b>Explanation Attached</b>
Schedule of Cash Receipts and Disbursements	MOR-1	X	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1 (con't)	X	
Copies of bank statements		X	
Cash disbursements journals			Not available
Statement of Operations	MOR-2	X	
Balance Sheet	MOR-3	X	
Status of Postpetition Taxes	MOR-4	X	
Copies of IRS Form 6123 or payment receipt			Not available
Copies of Federal income tax returns filed during reporting period			None filed
Summary of Unpaid Postpetition Debts	MOR-4		See Note #4
Listing of aged accounts payable			See Note #4
Accounts Receivable Reconciliation and Aging	MOR-5	X	
Debtor Questionnaire	MOR-5	X	

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the documents attached are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Joint Debtor

\_\_\_\_\_  
Date

Robert M. Tarola  
\_\_\_\_\_  
Signature of Authorized Individual\*

23 FEB 2004  
\_\_\_\_\_  
Date

\_\_\_\_\_  
Robert M. Tarola  
Printed Name of Authorized Individual

\_\_\_\_\_  
Senior Vice President and  
Chief Financial Officer  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

**W. R. Grace & Co.  
Monthly Financial Report  
January 31, 2004**

**Table of Contents****Chart #****Form MOR****Monthly Operating Report**

Schedule of Cash Receipts and Disbursements .....	1	MOR-1
Bank Reconciliations .....	2	MOR-1
Combining Statement of Operations - Filing Entities Only .....	3	MOR-2
Combining Balance Sheet - Filing Entities Only .....	4	MOR-3
Status of Postpetition Taxes .....	5	MOR-4
Accounts Receivable Reconciliation and Aging .....	6	MOR-5
Debtor Questionnaire .....	7	MOR-5

**Combined Chapter 11 Filing Entity Statements**

Combined Statement of Operations.....	8
Combined Functional Basis Statement of Cash Flows .....	9
Combined Balance Sheet .....	10
Notes to Combined Financial Statements .....	11

**Bank Statements**

Federal Income Tax Returns	None
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**Forward-Looking Information**

This monthly financial report contains forward-looking information that involves risks and uncertainties. For such information, Grace claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. Actual results could differ materially from the results predicted, and reported results should not be considered as a indication of future performance. Factors that could cause actual results to differ from those contained in the forward-looking information include those factors set forth in Grace's most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q, which have been filed with the Securities Exchange Commission.

**Statement of Confidentiality**

The information contained in the monthly financial report contains confidential information of W. R. Grace & Co. and its subsidiaries (the "Confidential Information"). The Confidential Information has been prepared solely for information purposes and may not be disclosed to any person or entity or reproduced, disseminated or disclosed, in whole or in part, except to officers, directors, employees, and representatives of the recipient ("Representatives") or as required by applicable law or regulation. By receipt of the Confidential Information, each recipient agrees to (1) use the Confidential Information only to enhance its understanding of Grace and its businesses, and (2) inform its Representatives of the confidential nature of such information and direct them to treat such information in accordance with the terms. Each recipient agrees to be responsible for any breach of these provisions by any of its Representatives.

## **Monthly Operating Report**

Chart 1

W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

January 2004

	JP Morgan Chase Disbursement 9101013572	Wachovia Lockbox 8619039102	First Union Deposit Acct 2199500021812	First Union Payroll 2079900003615	Merrill Lynch Investment 3323735	Merrill Lynch Investment 3343175	JP Morgan Chase Holding 323223141
CASH BEGINNING OF MONTH	\$ 106,011	\$ -	\$ (0)	\$ 0	\$ 116,360,525	\$ 0	\$ 737,660
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES							
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES							
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	200,000			2,000,750	37,600,000		
MISCELLANEOUS					104,857		
TOTAL RECEIPTS	200,000	-	-	2,000,750	37,704,857	-	-
DISBURSEMENTS							
PAYROLL				1,235,874			
PAYROLL TAXES				758,447			
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES	202,310						
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS					30,700,000		
MISCELLANEOUS				6,429			
TOTAL DISBURSEMENTS	202,310	-	-	2,000,750	30,700,000	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	(2,310)	-	-	-	7,004,857	-	-
CASH - END OF MONTH	103,701	-	(0)	0	123,365,382	0	737,660

## Note #1

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W. R. Grace &amp; Co., Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

January 2004

	JP Morgan Chase Concentration 16001257	Bank of America Lockbox 8188203114	First Union Concentration 2000000282172	First Union Payroll 2079900016741	First Union Petty Cash 2079900005600	Civic Bank Payroll 15502015736	First Union Libby Medical 2079900065006
<b>CASH BEGINNING OF MONTH</b>	\$ 675,966	\$ 679,421	\$ 0	\$ -	\$ -	\$ 0	\$ -
<b>RECEIPTS</b>							
ACCOUNTS RECEIVABLE - THIRD PARTIES		39,798,357					
ACCOUNTS RECEIVABLE - INTERCOMPANY		546,080					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES	1,053,913						
TRANSFERS IN - NONFILING ENTITIES	12,930,357						
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	109,579,734		1,888,795	5,151,969	4,567		
MISCELLANEOUS			145,504	14,082	4,391		
<b>TOTAL RECEIPTS</b>	<b>123,564,004</b>	<b>40,344,437</b>	<b>2,034,299</b>	<b>5,166,051</b>	<b>8,958</b>	-	-
<b>DISBURSEMENTS</b>							
PAYROLL				3,391,338			
PAYROLL TAXES				1,774,713			
TRADE PAYABLES - THIRD PARTIES	129,814		2,034,299				
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES	33,607						
TRANSFERS OUT - THIRD PARTIES	6,697,601	431,505			8,958		
TRANSFERS OUT - NONFILING ENTITIES	4,932,250						
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	112,193,846	38,927,531					
MISCELLANEOUS							
<b>TOTAL DISBURSEMENTS</b>	<b>123,987,118</b>	<b>39,359,036</b>	<b>2,034,299</b>	<b>5,166,051</b>	<b>8,958</b>	-	-
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	<b>(423,114)</b>	<b>985,401</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CASH - END OF MONTH</b>	<b>252,851</b>	<b>1,664,822</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>

**Note #1**

Various payments are made by W. R. Grace & Co. - Conn on behalf of other debtor entities. Such activity may include salary of employees, legal and professional fees, and other expenditures, and is generally recorded via intercompany accounts. In addition, certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

January 2004

	First Union Accts Payable 2079920005761	First Union Payroll 2079900067554	Wachovia Lockbox 1866-062535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	Altfirst Payroll 16298631	SunTrust Payroll 00000141309	PNC 4002641360
CASH BEGINNING OF MONTH	\$ (0)	\$ -	\$ 0	\$ 0	\$ 0	\$ 598,747	\$ 45,273	\$ 24,597
RECEIPTS								
ACCOUNTS RECEIVABLE - THIRD PARTIES			29,979,700					
ACCOUNTS RECEIVABLE - INTERCOMPANY			9,765,781					
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI								
DIP BORROWINGS								
TRANSFERS IN - THIRD PARTIES								
TRANSFERS IN - NONFILING ENTITIES								
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	28,888,820	1,309,728		1,888,795	29,166,162	3,551,173		
MISCELLANEOUS		5,983	206,723	145,504				
TOTAL RECEIPTS	28,888,820	1,309,711	39,952,203	2,034,299	29,166,162	3,551,173	-	-
DISBURSEMENTS								
PAYROLL		864,583				2,721,984		
PAYROLL TAXES		445,127				1,356,451		
TRADE PAYABLES - THIRD PARTIES	28,672,811			2,034,299	25,584,498			
TRADE PAYABLES - INTERCOMPANY								
ACCOUNT SECURITIZATION								
PAYMENTS AS SERVICER FOR GRPI								
DIP PRINCIPAL REPAYMENTS								
DIP INTEREST AND USAGE FEES								
TRANSFERS OUT - THIRD PARTIES								
TRANSFERS OUT - NONFILING ENTITIES								
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			39,952,203					
MISCELLANEOUS	216,009				3,581,665	12,394		
TOTAL DISBURSEMENTS	28,888,820	1,309,711	39,952,203	2,034,299	29,166,162	4,090,829	-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-	-	-	(539,656)	-	-
CASH - END OF MONTH	(0)	-	0	0	0	59,091	45,273	24,597

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W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MCR-1

January 2004

	Hibernia Nat'l Disbursement 101391210	Bank of America Payroll 0000 0002 2137	Allfirst Payroll 18298657	First Union Petty Cash 2040000016900	Banco de Credito Operating Acct. 1931115122058	Banco de Credito Operating Acct. 1831125963172	Banco de Credito Tirna Deposit 0015820
CASH BEGINNING OF MONTH	\$ 10,000	\$ -	\$ 264,542	\$ 56,332	\$ 3,199	\$ 70,777	\$ -
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES					13,507	213,808	
ACCOUNTS RECEIVABLE - INTERCOMPANY							
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI							
DIP BORROWINGS							
TRANSFERS IN - THIRD PARTIES					8,123		
TRANSFERS IN - NONFILING ENTITIES							
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				5,159,505			
MISCELLANEOUS							
TOTAL RECEIPTS		-	-	5,159,505	-	21,630	213,808
DISBURSEMENTS							
PAYROLL				3,268,079		4,580	
PAYROLL TAXES				1,871,427		2,590	
TRADE PAYABLES - THIRD PARTIES							
TRADE PAYABLES - INTERCOMPANY							
ACCOUNT SECURITIZATION							
PAYMENTS AS SERVICER FOR GRPI							
DIP PRINCIPAL REPAYMENTS							
DIP INTEREST AND USAGE FEES							
TRANSFERS OUT - THIRD PARTIES					5,313	8,259	
TRANSFERS OUT - NONFILING ENTITIES							
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS							
MISCELLANEOUS					10,395	32,734	
TOTAL DISBURSEMENTS		-	-	5,159,505	-	22,878	40,994
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-	-	-	(1,248)	172,815
CASH - END OF MONTH	10,000	-	264,542	56,332	1,951	243,592	-

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Chart 1

## W. R. Grace &amp; Co. - Conn

## Schedule of Cash Receipts and Disbursements

MOR-1

January 2004

	Bank of Boston Operating Acct 0154519	Bank of Boston Operating Acct 0154424	Cash in Transit	Cash on Hand	Other	CURRENT MONTH	
						ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 2,542	\$ 207,240	\$ 34,255	\$ 49,425	\$ 264,169	\$ 120,190,684	
RECEIPTS							
ACCOUNTS RECEIVABLE - THIRD PARTIES		266,666	638,362			70,910,400	
ACCOUNTS RECEIVABLE - INTERCOMPANY						10,311,881	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI						-	
DIP BORROWINGS						-	
TRANSFERS IN - THIRD PARTIES	113,193		294,634			1,469,863	
TRANSFERS IN - NONFILING ENTITIES						12,930,357	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS						226,383,999	
MISCELLANEOUS					135,614	762,657	
TOTAL RECEIPTS	113,193	266,666	932,995		135,614	322,769,136	
DISBURSEMENTS							
PAYROLL		2,823				11,509,261	
PAYROLL TAXES		42,737				6,251,493	
TRADE PAYABLES - THIRD PARTIES						58,455,721	
TRADE PAYABLES - INTERCOMPANY						-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI						-	
DIP PRINCIPAL REPAYMENTS						-	
DIP INTEREST AND USAGE FEES						33,807	
TRANSFERS OUT - THIRD PARTIES	60,556		114,000			7,528,503	
TRANSFERS OUT - NONFILING ENTITIES						4,932,250	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS						221,773,580	
MISCELLANEOUS	6,772	4,442				3,870,841	
TOTAL DISBURSEMENTS	112,889	118,442				314,355,255	
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)	304	148,224	932,995		135,614	8,413,881	
CASH - END OF MONTH	2,846	355,464	967,250	49,425	399,783	128,604,565	\$ -

## Note #1

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W.R. Grace & Co.  
**Schedule of Cash Receipts and Disbursements**  
MOR-1  
January 2004

	JP Morgan Chase Pass Through 323881963	CURRENT MONTH	
		ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>		\$ (0)	\$ (0)
<b>RECEIPTS</b>			
ACCOUNTS RECEIVABLE - THIRD PARTIES			-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-
DIP BORROWINGS			-
TRANSFERS IN - THIRD PARTIES			-
TRANSFERS IN - NONFILING ENTITIES			-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	583,168	583,168	
<b>TOTAL RECEIPTS</b>	583,168	583,168	-
<b>DISBURSEMENTS</b>			
PAYROLL			-
PAYROLL TAXES			-
TRADE PAYABLES - THIRD PARTIES			-
TRADE PAYABLES - INTERCOMPANY			-
ACCOUNT SECURITIZATION			-
PAYMENTS AS SERVICER FOR GRPI			-
DIP PRINCIPAL REPAYMENTS			-
DIP INTEREST AND USAGE FEES			-
TRANSFERS OUT - THIRD PARTIES			-
TRANSFERS OUT - NONFILING ENTITIES			-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	583,168	583,168	
MISCELLANEOUS			-
<b>TOTAL DISBURSEMENTS</b>	583,168	583,168	-
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>			-
<b>CASH - END OF MONTH</b>	\$ (0)	\$ (0)	\$ -

Remedium Group, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

January 2004

	JP Morgan Chase Depository/Wire 323883842	JP Morgan Chase Disbursement 601831985	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>	\$ -	\$ (172,222)	\$ (146,281)	\$ (318,502)	
<b>RECEIPTS</b>					
ACCOUNTS RECEIVABLE - THIRD PARTIES				-	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES			1,076	1,076	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		583,168		583,168	
<b>TOTAL RECEIPTS</b>	-	583,168	1,076	584,244	
<b>DISBURSEMENTS</b>					
PAYROLL				-	
PAYROLL TAXES				-	
TRADE PAYABLES - THIRD PARTIES				-	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES		275,940		275,940	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-	
MISCELLANEOUS				-	
<b>TOTAL DISBURSEMENTS</b>	-	275,940	-	275,940	
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	-	307,228	1,076	308,304	
<b>CASH - END OF MONTH</b>	-	135,006	(145,205)	(10,198)	

Darex Puerto Rico, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

January 2004

	Citibank Operating Acct 300153011	Petty Cash	Other	CURRENT MONTH	
				ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>	\$ 698,496	\$ 1,500	\$ (51,673)	\$ 648,323	
<b>RECEIPTS</b>					
ACCOUNTS RECEIVABLE - THIRD PARTIES	465,345			465,345	
ACCOUNTS RECEIVABLE - INTERCOMPANY				-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-	
DIP BORROWINGS				-	
TRANSFERS IN - THIRD PARTIES				-	
TRANSFERS IN - NONFILING ENTITIES				-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS	355,507			355,507	
<b>TOTAL RECEIPTS</b>	<b>820,852</b>			<b>820,852</b>	
<b>DISBURSEMENTS</b>					
PAYROLL	6,139			6,139	
PAYROLL TAXES	2,774			2,774	
TRADE PAYABLES - THIRD PARTIES	65,284			65,284	
TRADE PAYABLES - INTERCOMPANY				-	
ACCOUNT SECURITIZATION				-	
PAYMENTS AS SERVICER FOR GRPI				-	
DIP PRINCIPAL REPAYMENTS				-	
DIP INTEREST AND USAGE FEES				-	
TRANSFERS OUT - THIRD PARTIES				-	
TRANSFERS OUT - NONFILING ENTITIES				-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS	355,507			355,507	
MISCELLANEOUS				-	
<b>TOTAL DISBURSEMENTS</b>	<b>429,705</b>			<b>429,705</b>	
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>	<b>391,148</b>			<b>391,148</b>	
<b>CASH - END OF MONTH</b>	<b>1,089,643</b>	<b>1,500</b>	<b>(51,673)</b>	<b>1,039,470</b>	

CC Partners		First Union Deposit Acc# 2199500031802	CURRENT MONTH	
			ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -		
RECEIPTS	No Activity			
ACCOUNTS RECEIVABLE - THIRD PARTIES				
ACCOUNTS RECEIVABLE - INTERCOMPANY				
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				
DIP BORROWINGS				
TRANSFERS IN - THIRD PARTIES				
TRANSFERS IN - NONFILING ENTITIES				
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				
TOTAL RECEIPTS				
DISBURSEMENTS				
PAYROLL				
PAYROLL TAXES				
TRADE PAYABLES - THIRD PARTIES				
TRADE PAYABLES - INTERCOMPANY				
ACCOUNT SECURITIZATION				
PAYMENTS AS SERVICER FOR GRPI				
DIP PRINCIPAL REPAYMENTS				
DIP INTEREST AND USAGE FEES				
TRANSFERS OUT - THIRD PARTIES				
TRANSFERS OUT - NONFILING ENTITIES				
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				
MISCELLANEOUS				
TOTAL DISBURSEMENTS				
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)				
CASH - END OF MONTH	\$ -	\$ -	\$ -	

Kootenai Development Company Schedule of Cash Receipts and Disbursements MOR-1 January 2004		First National Bank of Montana 1049097	CURRENT MONTH	
			ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>		\$ 17,363	\$ 17,363	
<b>RECEIPTS</b>		No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES				-
ACCOUNTS RECEIVABLE - INTERCOMPANY				-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI				-
DIP BORROWINGS				-
TRANSFERS IN - THIRD PARTIES				-
TRANSFERS IN - NONFILING ENTITIES				-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS				-
<b>TOTAL RECEIPTS</b>				-
<b>DISBURSEMENTS</b>				
PAYROLL				-
PAYROLL TAXES				-
TRADE PAYABLES - THIRD PARTIES				-
TRADE PAYABLES - INTERCOMPANY				-
ACCOUNT SECURITIZATION				-
PAYMENTS AS SERVICER FOR GRPI				-
DIP PRINCIPAL REPAYMENTS				-
DIP INTEREST AND USAGE FEES				-
TRANSFERS OUT - THIRD PARTIES				-
TRANSFERS OUT - NONFILING ENTITIES				-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS				-
MISCELLANEOUS				-
<b>TOTAL DISBURSEMENTS</b>				-
<b>NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)</b>				-
<b>CASH - END OF MONTH</b>		\$ 17,363	\$ 17,363	\$ -

Grace Europe, Inc.

## Schedule of Cash Receipts and Disbursements

MOR-1

January 2004

	Barclays Bank PLC	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ -	\$ -	
RECEIPTS	No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES		-	
ACCOUNTS RECEIVABLE - INTERCOMPANY		-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI		-	
DIP BORROWINGS		-	
TRANSFERS IN - THIRD PARTIES		-	
TRANSFERS IN - NONFILING ENTITIES		-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS		-	
TOTAL RECEIPTS		-	-
DISBURSEMENTS			
PAYROLL		-	
PAYROLL TAXES		-	
TRADE PAYABLES - THIRD PARTIES		-	
TRADE PAYABLES - INTERCOMPANY		-	
ACCOUNT SECURITIZATION			
PAYMENTS AS SERVICER FOR GRPI		-	
DIP PRINCIPAL REPAYMENTS		-	
DIP INTEREST AND USAGE FEES		-	
TRANSFERS OUT - THIRD PARTIES		-	
TRANSFERS OUT - NONFILING ENTITIES		-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS		-	
MISCELLANEOUS		-	
TOTAL DISBURSEMENTS		-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)		-	-
CASH - END OF MONTH	\$ -	\$ -	\$ -

	Cash On Hand	CURRENT MONTH	
		ACTUAL	PROJECTED
CASH BEGINNING OF MONTH	\$ 500	\$ 500	\$ -
<b>RECEIPTS</b>			
No Activity			
ACCOUNTS RECEIVABLE - THIRD PARTIES			-
ACCOUNTS RECEIVABLE - INTERCOMPANY			-
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-
DIP BORROWINGS			-
TRANSFERS IN - THIRD PARTIES			-
TRANSFERS IN - NONFILING ENTITIES			-
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-
TOTAL RECEIPTS			-
<b>DISBURSEMENTS</b>			
PAYROLL			-
PAYROLL TAXES			-
TRADE PAYABLES - THIRD PARTIES			-
TRADE PAYABLES - INTERCOMPANY			-
ACCOUNT SECURITIZATION			-
PAYMENTS AS SERVICER FOR GRPI			-
DIP PRINCIPAL REPAYMENTS			-
DIP INTEREST AND USAGE FEES			-
TRANSFERS OUT - THIRD PARTIES			-
TRANSFERS OUT - NONFILING ENTITIES			-
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-
MISCELLANEOUS			-
TOTAL DISBURSEMENTS			-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)			-
CASH - END OF MONTH	\$ 500	\$ 500	\$ -

Dewey & Almy, LLC Schedule of Cash Receipts and Disbursements MOR-1 January 2004		Miscellaneous	CURRENT MONTH	
			ACTUAL	PROJECTED
CASH BEGINNING OF MONTH		\$ 1,000	\$ 1,000	
RECEIPTS		No Activity		
ACCOUNTS RECEIVABLE - THIRD PARTIES			-	
ACCOUNTS RECEIVABLE - INTERCOMPANY			-	
ACCOUNTS RECEIVABLE AS SERVICER FOR GRPI			-	
DIP BORROWINGS			-	
TRANSFERS IN - THIRD PARTIES			-	
TRANSFERS IN - NONFILING ENTITIES			-	
TRANSFERS IN - FILING ENTITY CASH ACCOUNTS			-	
TOTAL RECEIPTS			-	
DISBURSEMENTS				
PAYROLL			-	
PAYROLL TAXES			-	
TRADE PAYABLES - THIRD PARTIES			-	
TRADE PAYABLES - INTERCOMPANY			-	
ACCOUNT SECURITIZATION				
PAYMENTS AS SERVICER FOR GRPI			-	
DIP PRINCIPAL REPAYMENTS			-	
DIP INTEREST AND USAGE FEES			-	
TRANSFERS OUT - THIRD PARTIES			-	
TRANSFERS OUT - NONFILING ENTITIES			-	
TRANSFERS OUT - FILING ENTITY CASH ACCOUNTS			-	
MISCELLANEOUS			-	
TOTAL DISBURSEMENTS			-	-
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)			-	-
CASH - END OF MONTH		\$ 1,000	\$ 1,000	\$ -

## Chart 2

W. R. Grace & Co. - Conn  
Bank Reconciliations  
December 2003  
MOR-1

	JP Morgan Chase Disbursement 9101013572	Wachovia Lockbox 8619039102	First Union Deposit Acct. 2199500021812	Merrill Lynch Investment 3323735	Merrill Lynch Investment 31833431756
Balance per books	\$ 106,011	\$ -	\$ -	\$ 116,360,525	\$ -
Bank Balance	\$ 106,011	\$ -	\$ 23,042	\$ 116,360,525	\$ -
(+) Deposits in transit	-	-	-	-	-
(-) Outstanding checks	-	-	-	-	-
Other	-	-	(23,042)	-	-
Adjusted bank balance	\$ 106,011	\$ -	\$ -	\$ 116,360,525	\$ -
Deposits in Transit	Date	Amount	Date	Amount	Date
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit				(23,042)	

**Chart 2**

**Chart 2**

**Chart 2**

	Wachovia Lockbox 1868-082535	First Union Accts payable 2079900005260	First Union Accts Payable 2079900005231	Allfirst Payroll 16299631
Balance per books	\$ -	\$ -	\$ -	\$ 598,747
Bank Balance	\$ 1,055,123	\$ -	\$ -	\$ 870,138
(+) Deposits in transit	-			
(-) Outstanding checks	-	(730,854)	-	(111,240)
Other	(1,055,123)	730,854	-	39,849
Adjusted bank balance	\$ -	\$ -	\$ -	\$ 598,747
Deposits in Transit	Date	Amount	Date	Amount
Outstanding Checks	Ck #	Amount	Ck #	Amount
			various	(730,854)
				Detail Available
Other				
Transfers between bank accounts				
Accounting error				
Interest not recorded on books				
Bank fees not recorded on books				
Payroll tax payments not recorded				
Unreconciled bank activity				
Unreconciled ledger activity				
Returned item adjustment				
Payroll/other activity in transit				
Petty cash funds				
Reporting reclass				
Unrecorded deposit				
	(1,055,123)		731,079	36,451

W. R. Grace & Co. - Conn Bank Reconciliations December 2003 MOR-1	
	SunTrust Payroll 00000141309
Balance per books	\$ 45,273
Bank Balance	\$ 45,273
(+) Deposits in transit	-
(-) Outstanding checks	-
Other	-
Adjusted bank balance	\$ 45,273
Deposits in Transit	Date Amount
Outstanding Checks	Ck. # Amount
Other	
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll/other activity in transit	
Petty cash funds	
Reporting reclass	
Unrecorded deposit	

## Chart 2

W. R. Grace & Co. - Conn  
Bank Reconciliations  
December 2003  
MOR-1

	PNC	Hibernia Natl. Disbursement 101391210	Bank of America Payroll 0000 0002 2137	Allfirst Payroll 16298657	First Union Petty Cash 2040000016900
	4002641360				
Balance per books	\$ 24,597	\$ 10,000	\$ -	\$ 264,542	\$ 58,332
Bank Balance	\$ 24,597	\$ 10,000	\$ -	\$ 281,018	\$ 40,348
(+) Deposits in transit	-	-	-	-	-
(-) Outstanding checks	-	-	-	(16,476)	-
Other	-	-	-	-	15,984
Adjusted bank balance	\$ 24,597	\$ 10,000	\$ -	\$ 264,542	\$ 58,332
Deposits in Transit	Date	Amount	Date	Amount	Date
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #
					Detail Available
Other					
Transfers between bank accounts					
Accounting error					
Interest not recorded on books					
Bank fees not recorded on books					
Payroll tax payments not recorded					
Unreconciled bank activity					
Unreconciled ledger activity					
Returned item adjustment					
Payroll/other activity in transit					
Petty cash funds					
Reporting reclass					
Unrecorded deposit					(16,000)

## Chart 2

W. R. Grace & Co. - Conn Bank Reconciliations December 2003 MOR-1											
	Banco de Credito Operating Acct 1931115122058	Banco de Credito Operating Acct 1931125963172	Banco de Credito Time Deposit 0015820	Banco de Boston Operating Acct 0154519	Banco de Boston Operating Acct 0154424						
Balance per books	(Soles) 11,095	(US\$) \$ 70,777	(US\$) \$ -	(Soles) 8,818	(US\$) \$ 207,240						
Bank Balance	\$ 11,095	\$ 70,777	\$ -	\$ 8,818	\$ 207,240						
(+) Deposits in transit	-	-	-	-	-						
(-) Outstanding checks	-	-	-	-	-						
Other	-	-	-	-	-						
Adjusted bank balance	\$ 11,095	\$ 70,777	\$ -	\$ 8,818	\$ 207,240						
Deposits in Transit	Date	Amount	Date	Amount	Date	Amount	Date	Amount	Date	Amount	
Outstanding Checks	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	Ck. #	Amount	
Other											
Transfers between bank accounts											
Accounting error											
Interest not recorded on books											
Bank fees not recorded on books											
Payroll tax payments not recorded											
Unreconciled bank activity											
Unreconciled ledger activity											
Returned item adjustment											
Payroll/other activity in transit											
Petty cash funds											
Reporting reclass											
Unrecorded deposit											

Remedium Group, Inc. Bank Reconciliations December 2003 MOR-1			
	JP Morgan Chase Pass Through 323883842	JP Morgan Chase Disbursement 601831985	
Balance per books	\$ -	\$ (172,222)	
Bank Balance (+) Deposits in transit (-) Outstanding checks Other	\$ -	\$ -	(172,222)
Adjusted bank balance	\$ -	\$ -	(172,222)
Deposits in Transit	Date	Amount	Date
Outstanding Checks	Ck #	Amount	Ck #
			5214 (1,667)
			5218 (100)
			5225 (107)
			5226 (3,547)
			5229 (585)
			5230 (250)
			5234 (92,215)
			5239 (10,125)
			5242 (71)
			5244 (152)
			5245 (1,954)
			5246 (6,466)
			5247 (18,326)
			5248 (9,300)
			5249 (25,792)
			5250 (13,112)
			5251 (602)
			5252 (43,810)
			5253 (685)
			5254 (638)
			5255 (84)
			5256 (1,248)
			5257 (5,209)
			5258 (198)
			5259 (2,479)
			5260 (7)
			5261 (600)
			5262 (60)
			5263 (6,168)
			5168 73,140
Other			
Transfers between bank accounts			
Accounting error			
Interest not recorded on books			
Bank fees not recorded on books			
Payroll tax payments not recorded			
Unreconciled bank activity			
Unreconciled ledger activity			
Returned item adjustment			
Payroll activity in transit			
Petty cash funds			

W. R. Grace & Co. Bank Reconciliations December 2003 MOR-1	
	JP Morgan Chase Pass Through 323881963
Balance per books	\$ -
Bank Balance	\$ -
(+) Deposits in transit	-
(-) Outstanding checks	-
Other	-
Adjusted bank balance	\$ -
Deposits in Transit	Date Amt
Outstanding Checks	Ck # Amt
Other	
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll activity in transit	
Petty cash funds	

<b>CC Partners</b> <b>Bank Reconciliations</b> <b>December 2003</b> <b>MOR-1</b>	
	<b>First Union</b> <b>Deposit Acct</b> <b>2199500031802</b>
<b>Balance per books</b>	\$ -
<b>Bank Balance</b>	\$ -
(+) Deposits in transit	-
(-) Outstanding checks	-
<b>Other</b>	-
<b>Adjusted bank balance</b>	\$ -
<b>Deposits in Transit</b>	
<b>Outstanding Checks</b>	
<b>Other</b>	
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll activity in transit	
Petty cash funds	

**Chart 2**

Darex Puerto Rico, Inc.		Credit Bal
Bank Reconciliations		Operating Acct
December 2003		300153011
<b>Balance per books</b>		\$ 698,496
Bank Balance		\$ 869,245
(+) Deposits in transit		
(-) Outstanding checks		(178,278)
Other		7,529
<b>Adjusted bank balance</b>		\$ 698,496
<b>Deposits in Transit</b>	Date	Amt
<b>Outstanding Checks</b>	Ck #	Amt
	15461	(27)
	15904	(728)
	16555	(258)
	16708	(496)
	16722	(69,530)
	16731	(8,581)
	16732	(125)
	16733	(3,000)
	16735	(99)
	16736	(46)
	16737	(1,435)
	16738	(1,167)
	16739	(100)
	16740	(1,073)
	16742	(145)
	16743	(65)
	16745	(8,343)
	16747	(28,751)
	16748	(5,504)
	16749	(11,700)
	16751	(12,107)
	16752	(496)
	16753	(26)
	16754	(1,044)
	16755	(8,328)
	16756	(186)
	16757	(11,889)
	16758	(235)
	16759	(50)
	various	(4,943)
<b>Other</b>		
Transfers between bank accounts		
Accounting error		
Interest not recorded on books		
Bank fees not recorded on books		1,085
Payroll tax payments not recorded		
Unreconciled bank activity		
Unreconciled ledger activity		
Returned item adjustment		
Payroll activity in transit		6,444
Petty cash funds		

Grace Europe, Inc. Bank Reconciliations December 2003 MOR-1	
	Barclays Bank PLC
Balance per books	\$ -
Bank Balance	\$ -
(+) Deposits in transit	- -
(-) Outstanding checks	- -
Other	- -
Adjusted bank balance	\$ -
Deposits in Transit	Date      Amt
Outstanding Checks	Ck. #      Amt
Other	
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll activity in transit	
Petty cash funds	

<b>Kootenai Development Company Bank Reconciliations December 2003 MOR-1</b>	
	<b>First National Bank of Montana Checking 1049097</b>
<b>Balance per books</b>	\$ 17,363
Bank Balance	\$ 17,363
(+) Deposits in transit	-
(-) Outstanding checks	-
Other	-
<b>Adjusted bank balance</b>	<b>\$ 17,363</b>
<b>Deposits in Transit</b>	
<b>Outstanding Checks</b>	
<b>Other</b>	
Transfers between bank accounts	
Accounting error	
Interest not recorded on books	
Bank fees not recorded on books	
Payroll tax payments not recorded	
Unreconciled bank activity	
Unreconciled ledger activity	
Returned item adjustment	
Payroll activity in transit	
Petty cash funds	

**W.R. Grace & Co. - Chapter 11 Filing Entities  
Combining Statement of Operations  
MOR - 2  
Month Ended January 31, 2003**

	W.R. Grace & Co. - Conn.	W.R. Grace & Co.	Remedium Group, Inc.	CCHP, Inc.	CC Partners	Grace Washington, Inc.	Litigation Management, Inc.	Grace Europe, Inc.	L-B Realty, Inc.
Net sales to third parties	\$ 67,534,181	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	21,364,879	-	-	-	-	-	-	-	-
Net sales to filing entities	215,300	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	403,610	(5,291,962)	4,128,419	722,847	19,173	845,233	-	2,602,915	-
Interest and royalties from filing entities, net	(67,047)								
Other income									
	84,158,962	4,128,419	722,847	19,173	845,233	-	2,602,915		
Cost of goods sold to third parties	45,949,259	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	18,066,845	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	165,063	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	21,415,958	-	(6,055)	-	-	-	18,317	-	6,241
Research and development expenses	2,690,578	-	-	-	-	-	-	-	-
Depreciation and amortization	4,888,371	-	2,323	-	-	-	-	-	-
Interest expense	1,120,587	-	-	-	-	-	-	-	-
	94,296,661	-	(3,732)	-	-	18,317	-	6,241	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(10,137,700)	4,128,419	726,578	19,173	845,233	(18,317)	2,602,915	(8,241)	-
Chapter 11 reorganization expenses, net	(1,297,106)	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	1,128,220	(1,444,947)	(256,175)	(6,711)	(295,832)	(49,760)	(911,020)	2,047	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ (10,306,586)</b>	<b>\$ 2,683,472</b>	<b>\$ 470,403</b>	<b>\$ 12,462</b>	<b>\$ 549,401</b>	<b>\$ (68,077)</b>	<b>\$ 1,691,895</b>	<b>\$ (4,194)</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended January 31, 2003

	Grace International Holdings, Inc.	Darex Puerto Rico, Inc.	Alewife Land Corporation	Alewife Boston, Ltd.	Five Alewife Boston Ltd.	GN Holdings, Inc.	MRA Holdings Corp.	MRA Intermedco, Inc.	MRA Staffing Systems, Inc.
Net sales to third parties	\$ -	\$ 489,924	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	2,108,474	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	(3,021,074)	-	-	-	-	-	-	-	-
Other income	14,206	-	-	-	-	-	-	-	-
	(898,394)	489,924	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	193,094	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	62,103	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	47,472	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	7,950	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-
	-	310,618	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	(898,394)	179,306	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	281,078	(62,840)	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-
<b>Net (Loss) Income</b>	<b>\$ (617,316)</b>	<b>\$ 116,466</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended January 31, 2003**

	Kootenai Development Company	CB Biomedical, Inc.	Amcon, Inc.	Grace Environmental, Inc.	Grace Chemical Company of Cuba	Southern Oil, Resin & Fiberglass, Inc.	Quincy Canbe Land Development Corporation	Dewey & Almy, LLC	A-1 Bit & Tool Co., Inc.	Grace Tarpon Investors, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

## Combining Statement of Operations

MOR - 2

Month Ended January 31, 2003

	G C Limited Partners I, Inc.	Monolith Enterprises Incorporated	Grace Culinary Systems, Inc.	Grace Hotel Services Corporation	Monroe Street, Inc.	Grace H-G Inc.	Hanover Squares Corporation	Ecarq, Inc.	W.R. Grace Land Corporation	G C Management, Inc.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

## Note #2

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W. R. Grace & Co. - Conn.

**W.R. Grace & Co. - Chapter 11 Filing Entities**  
**Combining Statement of Operations**  
**MOR - 2**  
**Month Ended January 31, 2003**

	Water Street Corporation	Del Taco Restaurants, Inc.	W.R. Grace Capital Corporation	Gloucester New Communities Company, Inc.	Creative Food 'N Fun Company	Grace PAR Corporation	Grace A-B Inc.	Homco International, Inc.	GPC Thomasville Corp.	Grace Ventures Corp.
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net (loss) income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W.R. Grace & Co. - Conn.

## W.R. Grace &amp; Co. - Chapter 11 Filing Entities

Combining Statement of Operations

MOR - 2

Month Ended January 31, 2003

	Grace Energy Corporation	GEC Management Corporation	Grace Offshore Company	Coalgaece, Inc.	Grace A-B II Inc.	Grace H-G II Inc.	Coalgaece II, Inc.	Gracecoal II, Inc.	Gracoal, Inc.	Grace Drilling Company
Net sales to third parties	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net sales to non-filing entities	-	-	-	-	-	-	-	-	-	-
Net sales to filing entities	-	-	-	-	-	-	-	-	-	-
Interest and royalties from non-filing entities, net	-	-	-	-	-	-	-	-	-	-
Interest and royalties from filing entities, net	-	-	-	-	-	-	-	-	-	-
Other income	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to third parties	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to non-filing entities	-	-	-	-	-	-	-	-	-	-
Cost of goods sold to filing entities	-	-	-	-	-	-	-	-	-	-
Selling, general and administrative expenses	-	-	-	-	-	-	-	-	-	-
Research and development expenses	-	-	-	-	-	-	-	-	-	-
Depreciation and amortization	-	-	-	-	-	-	-	-	-	-
Interest expense	-	-	-	-	-	-	-	-	-	-
(Loss) income before Chapter 11 reorganization expenses, income taxes, minority interest and equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
Chapter 11 reorganization expenses, net	-	-	-	-	-	-	-	-	-	-
(Provision for) benefit from income taxes	-	-	-	-	-	-	-	-	-	-
Minority interest in income of subsidiary	-	-	-	-	-	-	-	-	-	-
Equity in net income of non-filing entities	-	-	-	-	-	-	-	-	-	-
<b>Net (loss) Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**Note #2**

Certain de minimis expenditures, including state registration fees, business license fees and certain taxes, of affiliated companies are accounted for in the statement of operations of W.R. Grace & Co. - Conn.